

SCHOOL DISTRICT BUDGET DEFICIT AD HOC COMMITTEE

MARCH 30, 2010

A meeting of the School District Budget Deficit Ad Hoc Committee was held Tuesday, March 30, 2010 at 7:08 p.m. in the Aldermanic Chamber.

Alderman-at-Large Brian S. McCarthy, Chair presided.

Members of Committee present: Alderman-at-Large David W. Deane
 Alderman-at-Large Mark S. Cookson
 Alderman Richard P. Flynn
 Alderman Arthur T. Craffey, Jr.
 Alderman Jeffrey T. Cox (7:11 p.m.)

Also in Attendance: Alderman-at-Large Barbara Pressly

Chairman McCarthy

Alderman Cox being the Liaison to the BID Committee it upstairs, and will join us after the BID Committee's meeting has finished.

DISCUSSION

Last time I had promised you a draft communication. I sent out an early draft by e-mail. I just gave you all a updated copy, which has the Superintendent's first name spelled correctly, and umm this afternoon when I was looking through some stuff I found a second page of notes I had from our last meeting, and I had not included umm the information that is in the paragraph with the numbers lists on the back page, which was with regard to how to we correlate staffing increases to benefits/costs increases, ah how do we budget special ed and catastrophic aid, umm and how do we ah budget anticipated severance costs. Those are the ah changes that took place between those two drafts. I guess what I wanted to do this evening was to go through that and see ah if you like the current language or draft language that we like, and have some discussion about the last couple of paragraphs where we talk about the ah scope of a possible outside review.

Alderman Deane

On your number 2 where it speaks to special education...

Chairman McCarthy

Yeah.

Alderman Deane

I would like to add 3 words to the end of that, which would be "then and now".

Chairman McCarthy

Ah okay. You mean like...

Alderman Deane

Starting in 2006.

Chairman McCarthy

In past years and...

Alderman Deane

Which would be then and how it is budgeted now. There still seems to be some confusion on that.

Chairman McCarthy

I am going to us...

Alderman Deane

I see it as confusion. Maybe...

Chairman McCarthy

Okay. I am going to add ah "in past, current, and future years". Umm other comments?

Alderman Pressly

I would just like to say I think it is really a very good letter.

Chairman McCarthy

Thank you.

Alderman Pressly

It is well done, and I think you did a great job.

Chairman McCarthy

Do we want to go through it piece by piece or...Alderman Cox has joined us.

Alderman Cookson

Mr. Chairman. Thank you. The first paragraph that follows about half way down, this is our thoughts and concerns follow: The very first sentence says "We are concerned that the changes which you have instituted implement checks and balance on the budget process that are systemic, rather than...", I don't know if we can say that they have instituted anything. I don't know what they have done so in that instance I don't know if umm when I read that first sentence it sounds to

me as though okay what you have done I want to make sure there are checks and balances, but there may be some other piece that they haven't done that they should do that is not captured in this.

I am not sure what the language would be.

Chairman McCarthy

I think that the checks that it refers to are enumerated in ah the Superintendent's report.

Alderman Cookson

Okay. So this is in regard to what they have already said are the deficiencies...

Chairman McCarthy

Yes.

Alderman Cookson

...based on the 2009 report from Superintendent Conrad?

Chairman McCarthy

Right. We had his...

Alderman Cookson

Okay.

Chairman McCarthy

Last meeting we had agreed that we think the report adequately addresses what happened, and that I think actually that paragraph might make more sense if the second sentence were the first one. Umm the point I was trying to make there is that we know that they have made changes with regard to the width of review. We want to make sure that those changes stand on their own with regard to umm implementation and don't rely on the people who are there today to make sure that they are followed.

Alderman Cookson

I would concur with that.

Chairman McCarthy

Okay. So I will re-work that.

Alderman Deane

So are you going to flip those two?

Chairman McCarthy

Yeah I mean it will take a little more re-wording, but I will basically reword that paragraph to say we know you made changes, we want to make sure that they are complete and we want to make sure that they are systemic changes and not changes in the way particular personnel address things.

Alderman Deane

Alderman McCarthy I got a question of you. You have been around for a while. Is it common practice for a school administrators to hire their old friends and cohorts into positions because when you look at some of my review of umm of the employment applications I received clearly delineates that there are past relationships in which these people came in and positions were created for them that never existed prior to the admin you know this past administration taking over. It is like they would create a new position, a job title, put \$80,000 or so next to it and the next thing you know bingo there is an old cohort in town in a position.

Chairman McCarthy

I guess my reaction to that is not just from municipalities but from businesses in general that hiring old cohorts is not uncommon practice umm and often falls into the, the devil you know is better than the devil you don't, which I think if we go back and look at umm the success we have had with various positions in the city you can actually go either way on that. You know we have had some fairly spectacular disasters where we cast a fairly wide net and interviewed people and wound up with staff that just didn't work out, and we have had other cases where we have hired somebody that people were familiar with and it has worked out just fine.

I guess what would disturb me about that is if we think there are positions being created for that purpose rather than there is a position and someone I know happens to be a good fit for it. You know I mean it is fairly common to drag people along with you from place to place if you are a manager to take good employees with you, but it would disturb me if we were creating employment for people rather than filling positions that were in need of filling.

Alderman Pressly

Maybe the second question for that is if you feel that friends of friends are vetted umm I think looking at the resumes of the two people that have been assigned the responsibility for the deficit, umm the resumes are so ah incomplete one wonders how they could have been hired on their resume. It is almost like with one of them you feel that it was a done deal that they filled out the resume as an afterthought. Just looking at those resumes makes me wonder there has to be another check and balance. If they do bring in friends that there should be some assurance that there is a competition, do they have to go through a process of advertising, do they use the government center, they are good at that and...

Chairman McCarthy

I don't know exactly how particular positions have been filled within the school department. What is typical is that there is umm positing of a position and there are multiple candidates. Umm people are not typically hired from their resume. The resume is used to decide who you are going to interview and the interviews determine who gets hired. I don't know if that happened in this particular case or not.

Alderman Pressly

Would there be a record? Is it a public interview?

Chairman McCarthy

Umm I don't know that there is any...

Alderman Pressly

Alderman Cox just participated in one. What was the interview, would you ask him if the interview he just participated in was a public or was it a closed?

Alderman Cox

It was a closed session. There were 16 people, but it was a closed session.

Chairman McCarthy

There are often, when hiring from the outside, there are often issues of propriety with the fact that someone is looking for a change in employment that needs to be respected by potential employers.

Alderman Cox

There is also the fact that if you have let's say for superintendent we had ah I don't know let's say 12 candidates many of which, unless they make the final grouping, don't want it know that they are umm actually search for other employment out of their current employment umm so unless you are in the final 2 or 3 ah and then they usually make an announcement umm, it should be public.

Alderman Cookson

Thank you. Just a question through you to Alderman Cox. Umm when you made reference to there were 16 were you talking about 16 interviewers or 16 interviewees?

Alderman Cox

Interviewers. The panel was 16 strong.

Alderman Cookson

Thank you. And then umm in your paragraph that follows the 1, 2, 3 ah if you could help me understand when you refer to "We must express some concern over our process for hiring staff", the word "our" are you referring to the city, are you referring to the school, are you referring...

Chairman McCarthy

The city collectively.

Alderman Cookson

The city collectively. Umm and the interview process for the school district is it separate from that of the city or or do we are we as a city involved through the H.R. process or is it the school's H.R. that is completely in control of collecting umm the proposed or the potential resumes and interviewers?

Chairman McCarthy

I would assume that it is the school's H.R. Department that does that. I am not sure I understand the answer.

Alderman Cookson

Then I would suggest is just for semantics sake umm it is the concern over your process it is not our process.

Chairman McCarthy

Well I wanted to avoid, specifically avoid using the word your. I mean it should probable be the process.

Alderman Cookson

I would be fine with that, but it isn't the city's process.

Alderman Cox

Oh over the concern?

Alderman Cookson

Pardon me.

Alderman Cox

Lastly, and unfortunately?

Alderman Cookson

Yes.

Alderman Cox

Sorry I didn't mean to...

Alderman Cookson

Beginning on that sentence where it...

Alderman Cox

Yeah I scratched our and put current.

Alderman Cookson

.. refers to...

Chairman McCarthy

It is our process in that we own the results of it.

Alderman Cookson

I appreciate what you are saying, but but there's got to be some distinction between the city and the school because we are two distinct antonymous groups and you know this was...

Chairman McCarthy

Yeah.

Alderman Cookson

The distinction has to be made and it has to be there. Umm I understand what you are saying and the and you are trying to be delicate with the wording, but it is their process.

Chairman McCarthy

Yup. I will change it to the. Umm I guess I am also not convinced that our process is necessarily any different umm you know I am not sure that there is a huge amount of umm consistency from position to position in the way we do that. I mean I know I've participated in ah the process that hired Mr. Galligani for the Economic Development Director and with Mr. Barker and I know in those cases I think we did a, in those specific cases I think we did a very good job with that. I know that we also...

Alderman Cookson

Mmhmm.

Chairman McCarthy

.. we have had cases where umm I mean unfortunately we have had cases where we did the interview process correctly and someone came to us with an essentially completely fabricated past and got past the ah the grilling of a lot of people to you know. It's tough to get a guarantee, which is I think one of the reasons why people sometimes turn to people they know.

Alderman Pressly

I would imagine that that's one of the areas that has a rather universal best practices involved you know. To what extent do you ah check up on people; what types of ah, you have to in some way authenticate that what they have put on their their resumes and their vitas is correct. And I so I think it would be appropriate to find out. Maybe that is what umm help from a consultant would be.

Chairman McCarthy

That is actually a good point, and I will mention ah...

Alderman Pressly

I think you want to avoid favoritism and the incestuousness. I mean you look at some of these resumes and you can see where people just take care of each other. They go all over New England and ah rehire their buddy from the place before. And as you say maybe that is appropriate maybe it is not. Umm but I think you have to be fair about it, you have to make sure that you follow the best practices.

Chairman McCarthy

Yeah.

Alderman Pressly

I don't think we have to invent the wheel.

Alderman Cookson

In that instance, I would say that both the city and the school would, could benefit from an outside analysis and best practices adopted by both organizations...

Alderman Pressly

Right.

Alderman Cookson

... and it would be very helpful if what they adopted was umm synonymous, that it was the same so that there would be some consistency between you know both organizations.

Chairman McCarthy

Yeah I...

Alderman Pressly

I agree.

Chairman McCarthy

...I think I may, I will add that to that paragraph and also in the scope of the consultancy that

Alderman Pressly

Oh yeah.

Chairman McCarthy

...probably want to have them just comment on umm best hiring practices in general.

Alderman Flynn

Mr. Chairman. I ah one of the things that when I read this I assumed as much, and now that there is a discussion here I'm not sure if or if I should be assuming that, but at the bottom of the first page, that paragraph, when I read this I certainly associated that line to say "We are concerned that the process for the administration" meant the school administration.

Chairman McCarthy

Yup.

Alderman Flynn

That wasn't meant to be city administration?

Chairman McCarthy

No.

Alderman Flynn

This was the I don't know the changes that have gone on I think within the Board of Ed and the changes in their ah I don't know with thinning down of their committees and things just seem to be

didn't seem to hold together throughout this period of time. I think that is what you are talking about.

Chairman McCarthy

Yeah. I will umm

Alderman Cox

Add school district.

Chairman McCarthy

I will add school administration in there.

Alderman Flynn

The other thing I was going to say is I do think that this is umm this achieves what it was meant to do. I mean it is not meant to be ah any ah an attack on the school board, but rather a outlining of our concerns and soliciting their ah their help in moving forward. But in paragraph 2 umm on the first page, ah I would be hard pressed to ah agree that I, we're confident that the errors that lead up, lead to the discovery of the shortfall are well understood.

Ah I don't think we ever, I think we know that there are things like payroll, severance, and special ed, but how their payroll was so ah so far off you know I mean custodians was off by 17%. It had nothing to do with using the wrong base year. Those explanations ah weren't, I don't believe they were pursued by the school, by the school administration. I think they were ah even in the dialogue that we had between Mr. Mealey and Mr. Conrad trying to go over that, there was never a clear understanding of what really happened to those payroll numbers.

I know there were people that were kept on staff that should have been let go or there was an agreement that they should have been let go, but the problems with payroll were across ah every breath. I mean they were in secretaries, custodians, paras, teachers, every breath so I don't think we ever got a good understanding or a good discovery of ah what the shortfall problems were.

Chairman McCarthy

I guess I wasn't trying to say we understood how the numbers got that way. We understand which numbers were inaccurate in the budget.

Alderman Flynn

And that is why I agreed with the first sentence. I am not trying to be argumentative with you...

Chairman McCarthy

Yeah I don't...

Alderman Flynn

... I want to go on record myself as saying I don't really agree with that sentence. This is a statement coming from the committee. We don't have to have every word to agree to, but I don't agree to that.

Chairman McCarthy

Umm when I was writing it, basically we opted not to ask follow-up questions on the, on the issue itself, which would seem to indicate that we accept what is in the Superintendent's report. If we have further questions about that we ought to either ask them or say this is a question to which we don't think we will ever understand the answer. Umm and I can change the wording to reflect that if you like that you know we under, we believe that the superintendent's report shows the sources of the errors in terms of these are the numbers that went into the budget process that were incorrect that total up to three and a half million dollars for last year. Umm we think that the superintendent's report outlines process changes that would catch that if it were to happen again, but we don't understand why those numbers we incorrect I agree with you.

Alderman Flynn

That is right. I think that is what I am trying to say is I don't want to be argumentative with the school board...

Chairman McCarthy

Yup.

Alderman Flynn

...and I certainly appreciate the efforts you put into it, but I don't think that really is true for...

Chairman McCarthy

Alright.

Alderman Flynn

... from my perspective.

Chairman McCarthy

So why don't I put in there we are confident that the umm...

Alderman Pressly

What about just say we believe? Confident sounds like we really feel firmly, but we believe...

Chairman McCarthy

Well it goes further than that though. We believe...

Alderman Deane

We have a hunch.

Chairman McCarthy

...ah that the errors in the budget umm are well understood although we may never know precisely why they... alright I will work on some language that conveys that.

Alderman Flynn

By the way I thought the analysis of the encumbrances, the difference in the encumbrances for the two cutoff periods; I thought that was pretty perceptive to dig into that and to address that. I thought that there was lot of work done by Superintendent Conrad, but this...

Alderman Pressly

Oh yeah.

Alderman Flynn

...so I mean I could appreciate the time and the effort that was put into that, but I don't think, I just thought that that was a little bit too strong to think that we had that information in front of us.

Alderman Pressly

Wasn't there a part of it that he also agreed that he didn't understand?

Chairman McCarthy

Yes.

Alderman Flynn

Oh yes.

Alderman Pressly

Yeah.

Alderman Cox

On the back page, on the bottom "If the department is inclined to entertain the notion of a review, we would ..." I would suggest putting request in place of suggest, and then over number 3 also it would also be requested that such review might include.

Chairman McCarthy

Ah we would also request.

Alderman Cox

It would also be requested that such review might include.

Alderman Deane

Which paragraph are you on?

Chairman McCarthy

It should be we would because the previous sentence is we would request.

Alderman Cox

Down toward the bottom Dave where it says "if the department is inclined to entertain..."...

Alderman Deane

Yeah.

Alderman Cox

...switch suggest to request...

Chairman McCarthy

In between bullets 2 and 3.

Alderman Cox

...seeing I feel we are being pretty informal.

Chairman McCarthy

That actually brings up the point that I really wanted to have some discussion of this evening. Umm two things; I, first of all I think we had generally agreed upon items 1 and 2. Three and 4 were things that had come out of the discussion, but I am not sure the committee had ever reached a consensus that those ought to be in the request, and I think they actually fall, they actually get a little further up field from what the committee ah was set out to do so I had separated them as umm a separate set of requests.

I don't know if we want to leave it that way or if we, do we believe all of those things should be in there?

Alderman Deane

I think they should all be in there.

Alderman Craffey

I agree especially the organization assessment. Going back to Alderman Deane's comments about positions being created for people...

Chairman McCarthy

And I have had some discussion with Mr. Hallowell, and his question was umm whether we had envisioned what the process was going to be for doing the review, would it be done by the school department or jointly by both the school department and the Board of Aldermen, who is writing the RFP, who is doing consultant selection, umm I'm open to suggestions on how we approach that.

Alderman Deane

I think we could, being professional services we are looking to render we could probably umm make some contact with people in this field so they wouldn't be umm I guess we could discuss what we want to see. I mean it is pretty clear to me right on this piece of paper what we are looking for, and if we contacted a professional organization that does this type of review process, and we could bring in a few of them and have some discussions with them to see, feel out where they were coming from, and maybe get some suggestions from them as well as to round off what we are looking for basically and then umm you know hire a firm so that we are not involved and they are not involved, they have the scope of what we are looking for because basically this is what, I think this is what we are looking for.

I don't know what the Board of Education is looking for, but I think you know what we, what you basically laid out in this letter umm pretty much states where our concerns were, and umm if they have other valid concerns of their operations and they want to you know add then to the process to have them reviewed by this guy or gal or organization or whomever, I don't have a problem with that either. I don't know what the likeliness of that happening is, but umm I would umm...

Chairman McCarthy

I am glad you said that. There was one bullet in my notes that I didn't understand what it meant, and now I do. Umm okay yeah, and I think I mean I think there is general agreement that we would hire one of these consulting agencies to do the work. The question is who is going to write the RFP and select the consulting agency, and whether that is the Board of Ed, the Board of Aldermen, some combination or sub-set thereof...

Alderman Deane

Well...

Alderman McCarthy

...I would be tempted to suggest that that process be some number of members of the Board of Ed and the school department staff and perhaps a member or two from this committee to participate in the process.

Alderman Pressly

I thought that was the purpose of this committee. One of the things that umm I heard from many of the school board people was they are concerned that anything that we did was going to cause them more, more time, more ah work, and I am sure they have looked into this thoroughly, probably individually and collectively. They are probably I would hope they are sick of it. And that is the whole purpose of this committee to do it, and to relieve them of any extra burden or work. Umm as long as ...

Chairman McCarthy

I am pretty certain they want to be involved in the selection process.

Alderman Pressly

Is that Mr. Hallowell wants to be involved?

Chairman McCarthy

I believe that he is speaking for his board when he says that.

Alderman Cox

Mr. Chairman would this be something possible for Joint Special to do?

Chairman McCarthy

Umm...

Alderman Cox

Or is that not...

Chairman McCarthy

Probably not. Joint Special is constructed by state law to oversee building projects once they have been empower, and frankly it is way more people than I would want to see involved in the...

Alderman Cox

I am just thinking of the mix that is already currently in place.

Chairman McCarthy

Yeah I mean I would envision something similar, but must less grand. Perhaps 5 or 6 members would be fine to oversee the process of letting the RFP and getting a consultant.

Alderman Cookson

Thank you. My perspective is that we are accountable. This Ad Hoc Committee is accountable, and I believe that we are accountable for umm creating an RFP and submitting it potential organizations that might be able to fulfill that. With respect to the review of the organizations that might be able to conduct this analysis, I would be, and I think this is one of the points that I made at our last meeting, was I would like to see members of the Board of Education as well as Superintendent Conrad participate in the process and provide their input, but at the end of the day, it is this committee that is responsible for selecting the organization that would be responsible for this analysis in my opinion.

Chairman McCarthy

And I appreciate that, but not to put too fine a point on it, the things that we are asking that be done are things that the Board of Education can do or not as they see fit. They have no requirement to umm participate in this process so I think we tread a fairly fine line with umm trying to create a cooperative environment where we can address those problems and not set a adversarial tone that will get the board or a majority of the board to say no we are not going to participate in it at all, which is why I suggest that a joint effort, umm consisting of some members of each board and the administration, school administration, and perhaps whoever is appropriate from the city's administration as well umm would be a reasonable way to do that.

I don't think we need to understand the exact makeup of that committee tonight. I think we need to get to a point where we can discuss that with the Board of Ed.

Alderman Cookson

Thank you. I appreciate that umm, and certainly I don't, I think that was the point that I tried to make at our last meeting was I think it is important for the Board of Education to see the benefit of this process in the hiring of a particular group to do the analysis and that is why I want them involved in the process and respect their input in the process.

I think, and again my opinion is that the selection of that organization, after they see the benefit of the analysis, the selection is for this group to make.

Alderman Pressly

I think this letter is a beautiful diplomatic letter, and ah basically everything that you have done, you are giving them an opportunity to respond so to ah they are going to have the opportunity to review this and add to or object to something, and wouldn't the same thing happen with the RFP, that we put together what we have in mind and give them the opportunity to look it over. I must be sort of naïve, but I don't see where the school board is going to be that involved. It seems to me if you have ah consultants go in and see how things are functioning they are going to do it very quietly and discretely and it is going to be in the functioning of the schools, and...

Chairman McCarthy

I think your first statement was probably correct.

Alderman Pressly

That is naïve?

Chairman McCarthy

Yeah.

Alderman Pressly

So I mean I don't know that the school board is that involved in the day-to-day operations of the, I mean all of their policies are written down so you think they themselves are going to be...

Chairman McCarthy

No I think...

Alderman Pressly

...very involved in this?

Chairman McCarthy

...whenever we go out and hire consultants there is a certain amount of oversight that is required to make sure that the project heads along the direction that you would like to see it move.

Alderman Pressly

Okay, and don't you think your letter, I think this is a beautiful letter...

Chairman McCarthy

I think it gets there, but I think constant attention to the ruder is always ah required.

Alderman Deane

Did Mr. Hallowell draw a line in the sand with you or something?

Chairman McCarthy

No. No I am trying to avoid that happening.

Alderman Pressly

I believe they are all on record saying they would support ah anything that we chose to do. I don't, I can't imagine why they are looking for more work to do now and want to be involved in this other than...

Chairman McCarthy

That is why I would like to, I mean I think at the end of the day, if we approach it in the right direction, that we will probably all agree on who the right people are to consult or it will turn out to be there are several different adequately qualified firms and it is a matter of personal preference so I don't think we will get to a point in a collaborative decision process where we will be at odds with the Board of Ed over who to hire, but let's, I would like to get to the point where we can discuss that structure with them umm which requires us transmitting the letter and getting a response.

Alderman Pressly

Just a further question, I'm just sort of baffled by that because ah it sort of contradicts what I thought I have been hearing them say, but umm were we invited to participate in the different things that they did along the way on this?

Chairman McCarthy

They don't, well they, they don't contract out auditing anything the city has done however.

Alderman Pressly

Okay.

Chairman McCarthy

It's a you know we are, we are asking something that is in their purview to be reviewed, and...

Alderman Pressly

Okay, but they did have their own internal investigation...

Chairman McCarthy

Yes.

Alderman Pressly

... and no one from this committee was invited to...

Chairman McCarthy

No, but they have every right to do that.

Alderman Pressly

Yes. Okay.

Alderman Flynn

Unless the money, if it is \$10,000 or more, unless the money is transferred to the school department, this will have to go through the Finance Committee for the Finance Committee as the city warrant. Even though you have narrowed down or go out ah bids in from one or two sources or whatever it might be, you won't be able to award that to anybody without going through the Finance Committee or you would have to transfer the money to the school department and they don't have to go through the Finance Committee. They can spend their money any way they think is best suited.

Chairman McCarthy

Yeah, and I don't, I mean I don't think we have thought about how that is going to work yet. I suspect the right thing to do is to umm once we find the money to move it into either legal or finance or H.R.'s outside consulting dollars and to pay it from there.

Alderman Flynn

But if it is on the city side, you probably could find some way to do it and you wouldn't have to have 10 votes...

Chairman McCarthy

It probably doesn't, right, it probably does have to **audio inaudible – simultaneous speakers...**

Alderman Flynn

...but you still would have to go through Finance.

Chairman McCarthy

Yeah.

Alderman Deane

Unless it was under \$10,000.

Alderman Flynn

Unless it is under 10.

Chairman McCarthy

I think we would actually like to keep it under 10. I mean it seems from the discussions we have had that that is about the right scope anyway.

Alderman Deane

You got a round of applause Alderman McCarthy for that comment.

Alderman Pressly

I know.

Alderman Deane

Although it came from the third floor, but... so you are going to amend this and send it over and umm get it blessed by the school board and you will send back what they want to do and we will go from there? Is that what is happening?

Chairman McCarthy

Yup. Umm I will copy the committee with an updated version of it. Umm do we think we need to have another meeting before it goes out or do you trust me to get the wording correct and send it over?

Alderman Deane

Okay.

Alderman Cox

You have a 24 hour period before you push send.

Alderman Cookson

Thank you. I am just looking to understand you know what those next steps are. Umm are we, so the letter goes out, just a timeline, the letter goes off to is it umm Superintendent Conrad as well as umm Mr. Hallowell from the Board of Education, and then at that point, umm are we scheduling, are we going to be bringing in people to speak with, organizations that could do this analysis? Umm could you just help me out with what is going to happen after they receive the letter?

Chairman McCarthy

I think the next thing that we would do is to meet with the, Mr. Hallowell umm and perhaps other members of the Board of Ed or Superintendent Conrad to discuss next steps from there, and the structure of of how we, that will either be a line in the sand or it will be an agreement to umm decide how we are going to construct an RFP.

Alderman Cookson

Do you think it would be premature to ah engage or send a question off to either one of these organizations to even see if it is possible for them to do some sort of analysis as you have laid out in these broad terms for less than \$10,000?

Chairman McCarthy

Umm I believe that has actually already been done. I think that Alderman Pressly had had some, the two organizations that I am thinking of you had had some discussion with them and they had...

Alderman Pressly

I contacted one, but they spoke endlessly it depended on the scope and now that we have defined the scope we have to sort of start over again, and...

Alderman Cookson

I mean personally I would like to know if they can do this for \$10,000 or less as we have broadly specified it here to say it is a budget and finance analysis of the policies ah hiring process, record retention and organizational assessment, and do they perceive it to be less than \$10,000.

Alderman Pressly

I have not presented this scope to anybody.

Alderman Cookson

Understood, and that is what I am asking.

Alderman Pressly

I do not know. It might be worth a call to do that.

Chairman McCarthy

If somebody wants to get me contact information I will address that question to ...

Alderman Pressly

Okay. Great.

Alderman Cookson

Thank you.

Alderman Pressly

I will give you the two names.

Chairman McCarthy

So I will, I will ah make a new draft and I will send it to the committee. Umm probably some time tomorrow I will transmit it over to the Superintendent and the President of the Board of Ed. After that, when I have a chance to talk with him, we will set up something to do the follow up meeting.

Alderman Cookson

Did, sorry...

Chairman McCarthy

Alderman Cookson.

Alderman Cookson

Did you, between our last meeting and this evening, did you have an opportunity to speak with either Superintendent Conrad or Mr. Hallowell with respect to what we had discussed, and so they should be expecting a letter similar to this or...

Chairman McCarthy

Yes I have had a couple of conversations with Mr. Hallowell, and I know that he has talked to the Superintendent.

Alderman Cookson

And based on their response, then we will re-engage with a third meeting?

Chairman McCarthy

Yeah.

Alderman Cookson

Thank you.

Chairman McCarthy

Any other business for the committee?

Alderman Pressly

This is just a follow up from the last time we met, and I don't know if you folks are interested or not, but umm I had referenced some minutes from the North Andover School Committee, and umm I do have them now if you want to take a look at them. Umm a lot of us were curious as to when Mr. Mealey ah had signed up with them, and in October 29th of 2009 ah he was interviewed at North Andover, and ah Mr. Hottel was there for the interview. In the minutes, they do reference

things that are going on in Nashua if you would like to have me read them to you or if you would like to look at them after the meeting.

Ah for those of you who were serving at the time, you would know if they are accurate or not. They reference the Nashua budgeting process and then on May 7th ah they actually voted to hire Mr. Mealey. So from May 7th onward umm he along with ah Mr. Hottel knew that they had a job lined up elsewhere. Umm so unless you would like to have me read it for you anybody who is interested can look at their minutes after the meeting, but it is interesting how they do reference how things work in Nashua that they explained to North Andover umm regarding our budget particularly since we now know they didn't know much about our budget. Umm so that is there, here for anyone who would like to look at them.

Alderman Deane

Yeah, thank you. I got this list of umm items that I have requested through Alderman Cox. Thank you. Umm and I got a, I am still trying to get my arms around it. Umm I got a list of non-affiliated staff that got pay increases. I would like to request a list of the non-affiliated staff that didn't get pay increases.

Chairman McCarthy

Okay.

Alderman Deane

And the date of this document, this was June 29...

Chairman McCarthy

This is in the packet that was distributed this evening?

Alderman Deane

Yeah this is umm, this is under the attached are e-mails to and from Chris Hottel, Christopher Hottel through 30 June 2009 as provided to Mike Brindley at the Telegraph. This was an e-mail dated umm ..

Chairman McCarthy

You would like affiliated...

Alderman Deane

... yeah, this is dated 29 June 2009 at 2:34 p.m. It is from Christopher Hottel to Mayor Lozeau, and what it has is I have, I am attaching a copy of the article on special education costs savings, which I mentioned this morning. I have also attached a copy of the school unaffiliated salaries, which are going to the BOE tonight, for your information. He does provide this umm this list.

Chairman McCarthy

Okay you want, you want affiliated staff that...

Alderman Deane

That did not receive pay raises. And...

Chairman McCarthy

Would you settle for a list of non-affiliated staff? That may be easier to produce and we can derive the answers from that.

Alderman Deane

Well he's got salary as of ah 08/09 and then proposed 09/10 salary is what he has here.

Chairman McCarthy

Right.

Alderman Deane

But he doesn't, he only lists, I don't know if there are people that are unaffiliated that aren't on this list that weren't added because they did receive any increases.

Chairman McCarthy

Yeah that is what I am saying is that we just get a list of those people who are not affiliated and we can compare it to that list.

Alderman Pressly

And then the different salaries.

Chairman McCarthy

Yeah.

Alderman Deane

And I found it, I found it rather interested in another e-mail of the 20, I will have to dig it up, I believe it was 22 people that had retired and been re-hired that umm were collecting out of the state pension plan umm I guess that is something for me to understand a little better. I am not saying they are doing anything wrong, but I always thought the pension plan was always upset that once somebody got out and then paid you know and they were being collecting out of the system that hiring somebody to replace some didn't help replenish the money that was...

Chairman McCarthy

I would love to start collecting my pension without it impacting my job.

Alderman Deane

Well there are 22 people in the school district that happened to. They retire, they get their benefits their health benefits from the pension plan or whatever and then they get back in and go back in making, there was one that was making \$86,000 when she left and they hired her back at \$68,000.

Alderman Pressly

My question would be is that agreed upon before the person retires. In other words, is the retirement something they planned to do and then by the way afterwards they decided or that was part of the agreement up front. Certainly this last year when it was so advantageous to retire, if somebody had the agreement that would certainly motivate them to do something they might not have otherwise done so I don't know if that is appropriate to find out or not, but...

Chairman McCarthy

I don't know that you will ever find out. I mean that...

Alderman Pressly

Could be.

Chairman McCarthy

... requires someone to be willing to share their motives with you, which....

Alderman Pressly

Well I think it depends if they are hired the next day that suggests that it was planned up front.

Alderman Deane

Well, I have the e-mail from Ms. O'Gara who is the ah Human Resources Director to Jim Mealey "We would like to disclose to you our list of current retirees working in the school district in an effort to ensure that we are compliant with the state and federal laws regarding retirees receiving a pension and the tax qualified status of NHRS...", which is the retirement system. "Please let us know of any concerns you may have. We would like to be proactive in resolving them." And there is 22 people that retired and were re-hired. I never saw, I looked through the, I continued through this, and I never saw a response to whether there was any issues or not, but ... **audio ended**.

ADJOURNMENT

The outline indicates a motion to adjourn was made at 8:00 p.m. by Alderman Deane and that the motion carried.

Alderman Richard P. Flynn
Committee Clerk